

ABSTRACT OF THE DISCLOSURE

A method and system for managing investment portfolio risk on a computer system. A plurality of parameters, 5 including an identifier, a market price, a stop-loss price, a commission, a skid, and a number of shares or contracts all associated with an investment instrument, are stored on a computer-readable medium, along with an equity value associated with a user's portfolio. A point risk value is 10 determined for a potential investment. The point risk value is an intermediate value multiplied by the number of shares or contracts, the intermediate value comprising the market price minus the stop-loss price plus the commission plus the skid (for long transactions). A plurality of risk 15 scenarios are displayed showing proposed numbers of shares or contracts associated with the point risk value for a plurality of selected size risk values. Other risk characteristics may also be determined and displayed. The system and method may be embodied in a variety of 20 implementations, such as in a client/server system or in a stand-alone computer system.

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